

AMENDED IN SENATE APRIL 21, 2005

**SENATE BILL**

**No. 154**

**Introduced by Senator Chesbro**

February 8, 2005

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An act to amend Section 22857 of the Government Code, relating to public employees' health benefits.

LEGISLATIVE COUNSEL'S DIGEST

SB 154, as amended, Chesbro. Public employees' health benefits.

The Public Employees' Medical and Hospital Care Act authorizes the Board of Administration of the Public Employees' Retirement System to contract with carriers licensed and doing business in other states to provide health benefits for employees and annuitants who reside out of this state, as specified.

~~This bill would make nonsubstantive, technical changes to that provision~~ *authorize the Board of Administration of the Public Employees' Retirement System to contract with out-of-state public employee pension and health systems to provide health care benefits to California employees and annuitants who reside outside this state, as specified.*

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 22857 of the Government Code is
- 2 amended to read:
- 3 22857. (a) Notwithstanding any other provision of law, the
- 4 board may contract with carriers licensed and doing business in
- 5 other states to provide health benefits for employees and

1 annuitants who reside outside this state. The contracts shall be on  
2 terms as the board deems necessary or desirable. The health  
3 benefit plans are not necessarily required to meet the minimum  
4 requirements of the board, as specified in board regulations, but  
5 shall provide appropriate safeguards for members.

6 (b) An out-of-state employee may enter into a group health  
7 benefit plan provided by an out-of-state health maintenance  
8 organization, group insurance policy, group service agreement,  
9 membership or subscription contract, or other similar group  
10 arrangement provided by a carrier for the purpose of providing,  
11 arranging, paying for, or reimbursing the cost of health benefits,  
12 and that is in operation in the community or area where the  
13 employee's duties are usually performed. These contracts, plans,  
14 agreements, arrangements, or policies shall meet with the  
15 approval of, or meet standards approved by, the board.

16 (c) *The board may contract with out-of-state public employee*  
17 *pension and health systems to provide health care benefits to*  
18 *California employees and annuitants who reside outside this*  
19 *state. The contracts shall be on terms as the board deems*  
20 *necessary or desirable.*